

UNNUMBERED LETTERS ISSUED FOR THE MONTH OF MARCH 2002

Dated	Subject	Distribution
03-01-02	Management Control Review Reports	S/D, D/D, C/S
03-06-02	Intermediary Relending Program Empowerment Zones/Enterprise Communities/Rural Economic Area Partnerships Earmark First Funding Cycle	S/D
	Intermediary Relending Program Native American Earmark First Funding Cycle	S/D
	Interim Management Control Procedures Collections (Reissued)	S/D, D/D, C/S
03-07-02	2001 Relocation Income Tax (RIT) Claims	S/D
	Business and Industry Guaranteed Loan Program Loans Involving the Former B&I Lending, LLC	S/D
03-08-02	Business and Industry Guaranteed Loan Program Interest Accrual After 90-Days	S/D
03-11-02	Operations and Management Teleconference	S/D
03-15-02	Summer Food Service Program	S/D
03-18-02	Government Paperwork Elimination Act and the Right to E-File ACT	S/D
03-19-02	Interest Rates for Community Facilities	S/D, D/D, C/S
	Interest Rate Changes for Housing Programs and Credit Sales (Nonprogram)	S/D, D/D, C/S
	Interest Rates for Water and Waste Disposal Loans, Watershed Protection and Flood Prevention Loans, and Resource Conservation and Development Loans	S/D, D/D, C/S
03-21-02	Results of Fiscal Year 2002 Fair Housing Occupancy Survey	S/D

03-22-02	Carlson Wagonlit Travel Services Changes to Transaction Fees	N.O.Officials
	Leasing Training	S/D
	Interest Rate for Direct Business and Industry Loans	S/D, D/D, C/S
03-25-02	Biobased Products and Bioenergy Business Programs Assistance	S/D
03-28-02	Community Facilities Payments	S/D
03-29-02	Business and Industry Guaranteed Loan Program Insurance Requirements	S/D
	Delegation of Agency Technical Approval Authority for Fiscal Year 2002	S/D
03-31-02	Standardized Roles and Responsibility Agreements	S/D

March 31, 2002

TO: All State Directors
Rural Development

ATTENTION: Rural Housing Program Directors

FROM: James C. Alsop *(Signed by James C. Alsop)*
Acting Administrator
Rural Housing Service

SUBJECT: Standardized Roles and Responsibility Agreements

We have found it necessary to rescind AN 3660 dated June 28, 2001. The Roles and Responsibility Agreements were developed in an effort to clarify each party's role in the performance and administration of the Technical and Management (T&MA) contracts. They did not mirror the requirements of the contract or the Grant Agreements of the section 523 Mutual Self Help Housing Program. The agreements, as written, could conflict with the requirements in the contracts regarding grantee support and other procedures for managing the grant agreements.

The signed Grant Agreement takes precedence over any other agreements with the grantees, as do the contracts executed by the Government with the T&MA contractors.

When new contracts are awarded within the next year, the Statement of Work will provide greater detail on the roles and responsibilities of all parties involved.

If you have already obtained executed Roles and Responsibility Agreements they should be utilized to assist in understanding the requirements; however, in the case of conflicts between the agreement and the contract and/or grant agreement, the contract and/or grant agreement takes precedence.

If you have any questions regarding this matter, please contact Carolyn Bell at (202) 690-1532.

EXPIRATION DATE: March 31, 2003

FILING INSTRUCTIONS:
Preceding RD Instruction 1944-I

March 29, 2002

SUBJECT: Business and Industry Guaranteed Loan Program
Insurance Requirements

TO: State Directors, Rural Development

ATTN: Business Programs Directors

This is in regard to hazard insurance requirements for the Business and Industry (B&I) Guaranteed Loan Program borrowers.

At a recent training meeting, we provided a standardized Conditional Commitment preparation tool to assist State Offices. There is an error regarding insurance condition #6. The first sentence currently reads: "Hazard insurance naming the lender as beneficiary will be maintained in an amount at least equal to the outstanding loan balance or the replacement value (whichever is less) of the collateral." Please change the condition in the standardized Conditional Commitment to read: "Hazard insurance naming the lender as beneficiary will be maintained in an amount at least equal to the outstanding loan balance or the replacement value (whichever is greater) of the collateral."

If you have any questions, please contact the Business and Industry Division Processing Branch at (202) 690-4103.

(Signed by John Rosso)

JOHN ROSSO
Administrator

EXPIRATION DATE:
April 30, 2003

FILING INSTRUCTIONS:
Community/Business Programs

March 29, 2002

SUBJECT: Delegation of Agency Technical Approval Authority for Fiscal
Year 2002

TO: State Directors, Rural Development

The purpose of this memorandum is to delegate Agency Technical Approval (TA) authority for specific Federal Information Processing (FIP) resources.

As the Acting Chief Information Officer (CIO) for Rural Development, I hereby delegate to you Agency TA authority within the limits described below. This authority may be re-delegated by you to subordinates as necessary.

1. **FIP Supplies:** Individual orders may not exceed \$10,000 and the total yearly amount may not exceed your supply budget allocation; e.g., printer cartridges, diskettes, tapes.
2. **FIP Support Services:** Each order may not exceed \$2,500 and the total yearly amount may not exceed \$25,000.

- (a) FIP training services should be coordinated through the Human Resources Training Division.
- (b) FIP support services related to telecommunications are further restricted, as described in 3 (b), below.

3. **Telecommunication Needs:**

- (a) **Services:** These may be paid as necessary up to your telecommunications budget allocations. However, any new 1-800 number services must be approved by the full field services committee; consequently, requests for new 1-800 number services must be submitted to the Acting CIO for appropriate referral.
- (b) **Hardware, Software, and Support Services:** This approval authorizes the acquisition of any hardware, software, or support service required to continue the operation of currently installed, previously approved hardware and software for voice and data transmission. This delegation does not include the acquisition of FIP resources for the establishment of office setups.

EXPIRATION DATE:
September 30, 2002

FILING INSTRUCTIONS:
Administrative/Other Programs

4. **FIP Maintenance:** Most of the Agency FIP equipment is maintained under a nationwide maintenance contract operated by IBM. If you have FIP equipment not covered under the IBM contract, you should seek approval from the Acting CIO to add the equipment to the IBM contract. If the equipment cannot be added to the IBM contract, maintenance orders for each piece of equipment shall be placed by your office, but the dollar amount of each order may not exceed \$25,000.
5. **FIP Equipment:** Requests for FIP equipment other than as described under 3(b), above, must be submitted to the Acting CIO for review.
6. **FIP Software:** FIP software purchases must be made in accordance with Rural Development Instruction 2006-V, Policies for Farmers Home Administration Software. DN 3220-1, regarding software license agreements, also applies. This delegation permits State Directors to purchase up to two copies of any commercial software. Purchases in excess of this amount must be submitted to the Acting CIO for review.

Acquisitions that fall outside of the scope of this delegation memorandum must be submitted to the Acting CIO to obtain TA. Depending on the dollar value, the acquisition may require TA from the Department.

This delegation mandates that other provisions of Federal (i.e., Federal Acquisition Regulations), USDA, and Rural Development regulations be followed. These provisions require certain analyses (e.g., requirements analysis, analysis of alternatives, and benefit cost analysis) be completed to support acquisition of FIP resources other than supplies. Attached is a two-page form that, when completed, will assist you in satisfying this requirement. When procuring FIP supplies, it is only necessary to provide a brief justification usually on the procurement request itself. Copies of the appropriate documentation must be maintained with your procurement files. The Information Resources Manager would be responsible for ensuring that TA requirements are met.

Questions regarding these issues should be directed to Steven R. Myers on (202) 692-0052 or Tawana L. Dial at tdial@rdmail.rural.usda.gov of my staff.

THOMAS HANNAH
Acting Chief Information Officer

Attachment

Faxed to State Directors on 03-29-02 at 11:30 a.m. by the Support Services Division. The State Director should advise other personnel as appropriate.

March 28, 2002

TO: State Directors, Rural Development

ATTN: Community Programs Managers

FROM: James C. Alsop *(Signed by James C. Alsop)*
Deputy Administrator
Community Programs

SUBJECT: Community Facilities Payments

The Finance Office has been experiencing a backlog of Community Facilities (CF) payments that cannot be applied to borrowers' accounts because an initial advance of funds has not been made.

In some cases, a portion of the funds has been advanced; however, the amount of funds advanced is less than the payments being submitted. Payments in excess of the amount of funds advanced cannot be applied to the account. These payments must be held in suspense, which generates an excess listing. These situations create extra work for the Finance Office staff. The borrower is adversely affected by this; any payments submitted that cannot be applied to the account will not appear on their year-end statement.

There are a number of scenarios that create this problem. It is important to remember that a loan should not be closed unless you are ready to advance funds. If the borrower is unable to draw down all of the money at the beginning of the loan, their payments should be structured to have an interest-only payment annually, for up to 3 years, after which amortized installments would begin.

This information needs to be distributed to all staff members involved in closing CF loans. If you have any questions, please contact Beth Jones (202) 720-1498.

EXPIRATION DATE:
March 31, 2003

FILING INSTRUCTIONS:
Community/Business Programs

March 25, 2002

SUBJECT: Biobased Products and Bioenergy
Business Programs Assistance

TO: State Directors, Rural Development

ATTN: Business Programs Directors

During the Congressional Hearings, the House of Representatives requested information on Business Programs assistance for biobased products and bioenergy for Fiscal Years (FY) 1999, 2000, and 2001. State Offices have already reported their FY 2001 activity in special emphasis areas which included biobased products and bioenergy. Therefore, we are asking that each state provide information on Business Programs assistance extended for biobased products and bioenergy in FY 1999 and 2000.

The focus of the biobased products and bioenergy program is to promote national economic interests through conversion of renewable farm and forestry resources (biomass) to affordable electricity, fuel chemicals, pharmaceuticals, and other materials.

- * The term “biomass” is defined as any organic matter that is available on a renewable or recurring basis, excluding old-growth timber and including dedicated energy crops and trees, agricultural food and feed crop residues, aquatic plants, wood and wood residues, animal wastes, and other waste materials.
- * The term “biobased product” means a commercial or industrial product (either from food or feed) that utilizes biological products or renewable domestic agricultural (plant, animal, or marine) or forestry materials.
- * The term “old-growth timber” means timber of a forest from the late successional stage of forest development. The forest contains live and dead trees of various sizes, species, composition, age class, and structure. The age and structure of old growth varies significantly by forest type and from one bio-geoclimatic zone to another.

EXPIRATION DATE:
April 30, 2002

FILING PROCEDURES:
Community/Business Programs

Please provide the following information for FY 1999 and 2000 for each Business Program except the Intermediary Relending Program, (i.e., the Business and Industry (B&I) Guaranteed and Direct, Rural Business Enterprise Grant, Rural Business Opportunity Grant, and Rural Economic Development Loan and Grant Programs):

- * the name of the business,
- * which program provided the assistance and the amount of assistance, and
- * the type of biobased product or bioenergy business financed.

Please provide this information **by April 1, 2002**, via facsimile (202-690-0097) or by e-mail to chris.humes@usda.gov.

Your prompt attention to this report is appreciated, and we apologize for the short turn-around time.

(Signed by William F. Hagy III)

WILLIAM F. HAGY III
Deputy Administrator
Business Programs

Sent by e-mail by DABP 03-25-02 @ 9:45 a.m..

March 22, 2002

SUBJECT: Leasing Training

TO: All Rural Development State Directors

ATTN: Administrative Program Directors

The Space Management Branch (SMB) is conducting a survey to determine if there is significant interest in a Basic Leasing Training Class in fiscal year 2002.

The class will be held at the St. Louis, Missouri, Training Center. The Basic Training will be a 40-hour class which provides instructions on leasing procedures, as well as administrative duties of the Real Property Leasing Officer (RPLO). Upon request, attendees may receive a leasing warrant upon completion. The training session will include 8 hours of Foundation Information for Real Property Management (FIRM) training. The training is at no cost; however, travel and lodging fees for the nominees must be paid by the State Office.

States should be reminded that only individuals appointed under the provisions of Departmental Regulation (DR) 5100-2, Real Property Leasing Officer Warrant System, dated April 6, 1994, acting within the scope of delegated real property leasing authority are authorized to execute, amend, and/or terminate Government leases for real property.

Please provide the SMB, St. Louis, Missouri, with the names of those employees who would be candidates for the Basic Training. All nominations must be received no later than April 12, 2002. Tentative dates for the training are June 24 through June 28, 2002.

If you have any questions, contact the appropriate Leasing Analyst for your state at (314) 539-2413.

(Signed by Sherie Hinton Henry)

SHERIE HINTON HENRY
Acting Deputy Administrator
for Operations and Management

EXPIRATION DATE:
April 12, 2002

FILING INSTRUCTIONS:
Administrative/Other Programs

March 22, 2002

SUBJECT: Carlson Wagonlit Travel Services
Changes to Transaction Fees

TO: Rural Development National Office Officials

Due to the airlines capping commissions, Carlson Wagonlit Travel has increased the transaction and online fees for processing travel reservations. Agent assisted reservation fees are now \$31.74 and online booking fees are \$25.42. Online reservations with calls placed to an agent for changes prior to ticketing are \$31.74. These fees were effective on March 21, 2002.

Please share this information with your staffs. If you have any questions, contact Dewy Barnes at 692-0026 or Irene Wofford at 692-0030.

(Signed by SHERIE HINTON HENRY)

SHERIE HINTON HENRY
Acting Deputy Administrator
for Operations and Management

EXPIRATION DATE:
March 31, 2003

FILING INSTRUCTIONS:
Administrative/Other Programs

Sent by electronic mail on 03-25-02 at 10:30 a.m. by SSD.

March 22, 2002

SUBJECT: Interest Rate for Direct Business
and Industry Loans

TO: Rural Development State Directors
Rural Development Managers, and Community
Development Managers

The following interest rate is in effect April 1, 2002, through June 30, 2002.

<u>Loan Type</u>	<u>Existing Rate</u>	<u>New Rate</u>
Direct Business and Industry	4.750%	4.750%

Please notify appropriate personnel of this rate.

(Signed by John Rosso)

JOHN ROSSO
Administrator
Rural Business-Cooperative Service

Sent by Electronic Mail 03/22/02 at 2:02 p.m. by PAD.

EXPIRATION DATE:
June 30, 2002

FILING INSTRUCTIONS:
Administrative/Other Programs

March 21, 2002

TO: State Directors
Rural Development

ATTN: Multi-Family Housing Program Directors

FROM: James C. Alsop *(Signed by James C. Alsop)*
Acting Administrator
Rural Housing Service

SUBJECT: Results of Fiscal Year 2002 Fair Housing Occupancy Survey

Attachment A contains the Fiscal Year 2002 occupancy reports for Multi-Family Housing (MFH), including both Rural Rental Housing (RRH) and Farm Labor Housing (FLH) tenant demographics. These results are based on January 2002 data from the consolidated Multi-Family Housing Tenant File System (MTFS).

You will notice that most of the statistics have changed little since the last survey conducted in 2001. The highlights of this year's data include:

- The number of rental units in the MFH portfolio has increased by 1,553 units, from 468,379 units in 2001, to 469,932 units in 2002. The increase is primarily due to more complete and accurate data being available to report.
- The disabled and handicapped total tenant population has increased by 3,253 households, bringing the total to 70,841 in 2002.
- The total number of race/ethnic tenants who by definition are minorities has increased by 2,001, from 115,504 in 2001 to 117,505 by 2002, while total number of White, Non-Hispanic tenants showed a slight decrease from 316,742 in 2001 to 316,665 in 2002.
- The percentage of White, Non-Hispanic tenants represent 73 percent of the total race/ethnic tenant population, Black, Non-Hispanic tenants represent 17 percent, Asian, Pacific Islander tenants represent 1 percent, American Indian, Alaskan Native represent 0.6 percent and Hispanic/Latino tenants represent 8.5 percent.
- Tenants with very low incomes increased from 389,362 in 2001, to 394,799 in 2002. Tenants with very low incomes represent 91 percent of the total tenant household income level.
- Female heads of household constitute 74.5 percent of all tenant heads of household.

The proportion of elderly, disabled, and handicapped tenants who, by definition, are considered eligible to occupy elderly housing increased 1,935 in 2002. The proportion of non-elderly tenants has declined slightly, moving down from 43.3 percent in 2001 to 43.1 percent in 2002. The proportion of age determined elderly tenants decreased from 72.4 percent of elderly by

EXPIRATION DATE: March 31, 2003

FILING INSTRUCTIONS:
Housing Programs

definition in 2001 to 71.3 percent in 2002. The proportion of tenants with disabilities increased, going from 56,479 in 2001 to 59,218 in 2002. The proportion of handicapped tenants stayed relatively constant, with 4.5 percent in 2001 and 4.7 percent in 2002.

Attachment B contains two categories of occupancy statistics that were available for the first time last year. The first category documents the type of tenant subsidy received by each tenant household. The second category documents the extent that tenant households experience rent overburden. Rent overburden occurs when a tenant household contributes more than 30 percent of its adjusted income for shelter costs. You will notice the number of tenants receiving Rental Assistance subsidy has increased by 4,722, going from 267,099 in 2001 to 271,821 in 2002. The tenants that are rent overburdened fall into three categories: 41 percent fall between 30-40 percent overburdened, 25.1 fall between 41-50 percent overburdened, and 33.7 are 51 percent and greater overburdened. We will continue to work on additional reports from the MTFS system to make more data of this type available.

We would like to thank both you and your staff for helping to make this data project a success.

Should you have any questions or would like to obtain a copy of this report, please contact Ancil Green of our staff on (202) 690-0760.

Attachments

NOTE: Attachments not automated. This letter was sent out hard copy, for a copy of this report contact Ancil Green (202)690-0760.

March 19, 2002

SUBJECT: Interest Rates for Community Facilities

TO: Rural Development State Directors
Rural Development Managers and Community
Development Managers

Effective from April 1, 2002, through June 30, 2002, the interest rates for direct community facility loans are as follows:

Poverty Line...unchanged at..... 4.500%
Intermediate...unchanged at..... 4.750%
Market.....decreased to..... 5.000%

Please notify appropriate personnel of these rates.

(Signed by James C. Alsop)

JAMES C. Alsop
Acting Administrator
Rural Housing Service

Sent by Electronic Mail on 03-19-02 at 12:14 p.m. by PAD.

EXPIRATION DATE:
June 30, 2002

FILING INSTRUCTIONS:
Administrative/Other Programs

March 19, 2002

SUBJECT: Interest Rate Changes for Housing Programs
and Credit Sales (Nonprogram)

TO: Rural Development State Directors
Rural Development Managers
and Community Development Managers

ATTN: Rural Housing, Program Director

The following interest rate, effective April 1, 2002, is changed as follows:

<u>Loan Type</u>	<u>Existing Rate</u>	<u>New Rate</u>
ALL LOAN TYPES		
Treasury Judgement Rate	2.180%	2.240%

The Department of Treasury, working with Congress has eliminated the auction of the 52-week bill. The Treasury Judgement rate therefore is no longer based on this auction. The Treasury Judgement rate is now based on the weekly average 1-year Constant Maturity Treasury (CMT) yield. The rate is published by the Federal Reserve System, Board of Governors. The current rate shown above is as of the week ending 2/22/02. The actual judgement rate that will be used will be the rate for the calendar week preceding the date the defendant becomes liable for interest.

EXPIRATION DATE:
April 30, 2002

FILING INSTRUCTIONS:
Administrative/Other Programs

This rate may be found by going to the Federal Reserve web site for the weekly average 1-year CMT yield (www.federalreserve.gov/releases/h15/data/wf/tcm1y.txt).

Please notify appropriate personnel of this interest rate information.

(Signed by James C. Alsop)

JAMES C. ALSOP
Acting Administrator
Rural Housing Service

Sent by Electronic Mail on 03/20/02 at 11:48 a.m. by PAD.

March 19, 2002

SUBJECT: Interest Rates for Water and Waste Disposal
Loans, Watershed Protection and Flood
Prevention Loans, and Resource Conservation
and Development Loans

TO: Rural Development State Directors
Rural Development Managers,
and Community Development Managers

Effective from April 1, 2002 through June 30, 2002, the interest rates for Water and Waste Disposal Loans are as follows:

Poverty Line...unchanged at4.500%
Intermediate....unchanged at4.750%
Market.....decreased to5.000%

Also, the rate for Watershed Protection and Flood Prevention Loans and Resource Conservation and Development Loans is as follows:

CURRENT RATE	NEW RATE
5.125%	5.000%

Please notify appropriate personnel of these rates.

(Signed by Hilda Gay Legg)

HILDA GAY LEGG
Administrator
Rural Utilities Service

Sent by Electronic Mail on 03-19-02 at 12:00 p.m. by PAD.

EXPIRATION DATE:
June 30, 2002

FILING INSTRUCTIONS:
Administrative/Other Programs

March 18, 2002

SUBJECT: Government Paperwork Elimination Act and
the Right to E-File ACT

TO: Rural Development State Directors

ATTN: Administrative Program Directors

FROM: Sherie Hinton Henry
Acting Deputy Administrator
for Operations and Management

To comply with the Government Paperwork Elimination Act and the Right to E-File Act, Rural Development is developing the capability for our customers to submit forms electronically via web-enabled applications. To accomplish this, a registration process must be implemented that will allow Rural Development to accept electronic information in lieu of a hard copy form with the customer's signature. Before customers will be allowed to submit forms they must be registered. A registered customer will be provided an Identification Code and a password giving them the authority to access web services such as E-Forms. The Identification Code and password will authenticate the customer and serve as the customer's signature. The process to register a customer will require support from field office staff and the use of new web-enabled applications being deployed via the Service Center Modernization initiative. These applications are the Web Centralized Authentication and Authorization Facility (WebCAAF) and the Service Center Information Management System (SCIMS). Rural Development use of these two facilities will currently be limited to the registration of customers for access to E-Gov services.

To request an ID, the customer will have to complete Form AD 2016, USDA Registration Form to Request Electronic Access Code, and sign it. The form can be brought into the Servicing Center where the customer will be asked to show two forms of identification or the customer can mail or fax a notarized signed copy of the form. The Service Center employee will access the web application (WebCAAF) to register the customer using the information provided on the form. WebCAAF requires that the customer be recorded in the SCIMS database prior to the completion of the registration process.

SCIMS has been developed by the Farm Service Agency (FSA) to collect common information on Service Center customers such as name and address and record this information in a single database or repository. Service Center employees will have to access the SCIMS web application to enter the customer's name and address information before they can complete the WebCAAF registration process giving authority to the customer to access our E-services.

EXPIRATION DATE: March 7, 2003

FILING INSTRUCTIONS:
Administrative/Other Programs

Rural Development Service Center personnel will have to obtain SCIMS training and obtain user ID's to use the SCIMS web application. Rural Development personnel should attend any training currently being offered by FSA to state offices and to Service Center staff. The SCIMS development team has requested two people from each Agency within a Service Center to receive authority to update SCIMS. As stated above, Rural Development's use of SCIMS will be limited to registering customers wanting access to our web services. Rural Development customers will continue to be serviced using established Agency systems and applications. We are planning no conversions or "automatic population" of the SCIMS database until the need would warrant such support.

The web-enabled E-Forms application will bring Rural Development into compliance with legislatively mandated Freedom to E-File requirements by providing our customers the ability to submit forms electronically and it will provide a work queue for the Service Centers to manage the electronic forms submitted. The E-Forms application is scheduled to be implemented by June 20, 2002.

March 15, 2002

TO: State Directors
Rural Development

ATTN: Staff Responsible for Community Programs

FROM: James C. Alsop *(Signed by James C. Alsop)*
Acting Administrator
Rural Housing Service

George A. Braley *(Signed by George A. Braley)*
Acting Administrator
Food and Nutrition Service

SUBJECT: Summer Food Service Program

For several years now, the Rural Housing Service (RHS) and the Food and Nutrition Service (FNS) have worked together in partnership to help our communities provide more comprehensive services to rural residents. By advising RHS school, child care, and community center borrowers of the services provided by FNS, RHS assists these communities to take full advantage of the variety of assistance provided by the U.S. Department of Agriculture (USDA).

Where can children get the good nutrition during the summer that they get from school meals when they are at home and their parents are at work? At USDA, we think the answer is the Summer Food Service Program (SFSP).

This is the program that serves free meals to children and teenagers in low-income areas during the months when they are on vacation from school and do not have access to the National School Lunch Program. USDA provides Federal dollars to feed children during the summer in schools, parks, camps, recreation centers, and other centrally located sites in communities across America.

SFSP draws children and teenagers, age 18 and younger, into supervised activities that are safe, fun, and filled with learning opportunities. It encourages communities to provide safe places for children to go to be with other children and supportive adults. Children benefit nutritionally by

EXPIRATION DATE:
March 31, 2003

FILING INSTRUCTIONS:
Administrative/Other

receiving complete, wholesome meals – meals with milk, meat, fruits, vegetables, and bread that meet USDA’s nutrition standards. Parents benefit from help in stretching their food dollars and in knowing their children are receiving healthy meals in a supportive environment.

Unfortunately for many of the more than 13 million children who receive free and reduced price school meals, there aren’t enough sites near where they live to provide summer meals. SFSP needs to get more schools, public agencies, and nonprofit organizations involved as sponsors, operators of meal service sites, vendors of meals, and volunteers – especially in underserved, rural areas – to increase participation.

We think SFSP is one more essential service USDA can provide to communities. That is why FNS and RHS are asking your help in spreading the word about this important nutrition program. USDA’s web site – www.summerfood.usda.gov – provides more information. Please share it with grantees or borrowers in the communities that you have helped to obtain essential community facilities.

We know that our field personnel are often stretched thin. However, we believe any effort to combat hunger and promote food security, especially in children, is worthwhile. Your efforts to inform the community leaders who operate the schools, community centers, and other places where children gather in the summer about this program will benefit everyone – the facilities themselves, the community’s families, and most of all, the children themselves.

March 11, 2002

TO: State Directors and
National Office Operations and Management Managers
Rural Development

ATTN: Administrative Program Directors/
Administrative Officers

FROM: Sherie Hinton Henry *(Signed by Sherie Hinton Henry)*
Acting Deputy Administrator
for Operations and Management
Rural Development

SUBJECT: Operations and Management Teleconference

The next teleconference scheduled for the Administrative Program Directors/Administrative Officers is **Wednesday, April 17, 2002, at 3:00 PM, Eastern Daylight Time (EDT).** The access number will be (202) 554-1742 with Pass Code: 6606#. There are 60 lines designated for this teleconference. If you are located in the National Office area, please report to Room 1605-S.

If you have any questions regarding the teleconference, please contact Anissa Johnson at (202) 692-0200.

Thank you.

EXPIRATION DATE: April 17, 2002

FILING INSTRUCTIONS:
Administrative/Other Programs

March 8, 2002

SUBJECT: Business and Industry Guaranteed Loan Program
Interest Accrual After 90-Days

TO: State Directors, Rural Development

ATTN: Business Programs Directors

This unnumbered letter clarifies a frequently asked question concerning interest accrual to the holder of a Business and Industry Guaranteed Loan.

It has come to our attention that a number of states are allowing holders to restart the clock on interest accrual on loan repurchase requests. RD Instruction 4279-A, section 4279.78(b)(1), states that: “. . . the guarantee will not cover the note interest to the holder on the guaranteed loan accruing after 90 days from the date of the original demand letter of the holder to the lender requesting the repurchase.” Forms 4279-04 (Lender's Agreement, Section V, Default B) and 4279-06 (Assignment Guarantee Agreement, Sections 7 and 10) also state that: “. . .the Loan Note Guarantee will not cover the note interest to the holder on the guaranteed loan accruing after 90 days from the date of the demand letter to the lender requesting the repurchase@. The 90-day rule is applicable regardless of the cause of the delay. In some cases, we have found that the holder will withhold the request to the Federal Government for repurchase for several weeks to maximize the interest accrual. The Federal Government remains obligated to honor the repurchase requests when accompanied by the proper documentation.

If we can be of further assistance, please contact Nichelle Daniels, Loan Specialist, Business and Industry Division Servicing Branch, (202) 690-1754.

(Signed by William F. Hagy)

WILLIAM F. HAGY III
Deputy Administrator
Business Programs

EXPIRATION DATE:
March 31, 2003

FILING INSTRUCTIONS:
Community/Business Programs

March 7, 2002

SUBJECT: 2001 Relocation Income Tax (RIT) Claims

TO: Rural Development State Directors
National Office Officials

The National Finance Center (NFC) has advised that 2001 Relocation Income Tax (RIT) claims may now be submitted for processing. Please remind all employees who relocated during 2001 that they should send in their RIT claims to the NFC. Employees who relocated during prior years also need to submit RIT claims if they received a Withholding Tax Allowance (WTA) during 2001.

It is important that employees submit their RIT claim in a timely manner to settle their RIT allowance account. If the employee fails to comply with this requirement, the entire WTA already paid to the employee will be considered an excess payment. The NFC will then bill the employee for the excess WTA.

You and your staff may contact Dewy Barnes on 202-692-0026 or Irene Wofford on 202-692-0030 with any questions.

(Signed by SHERIE HINTON HENRY)

SHERIE HINTON HENRY
Acting Deputy Administrator
for Operations and Management

EXPIRATION DATE:
March 31, 2003

FILING INSTRUCTIONS:
Administrative/Other Programs

Sent by electronic mail on 03-11-02 at 2:30 p.m. by SSD.

State Directors and National Office Officials should advise other personnel as appropriate.

March 7, 2002

SUBJECT: Business and Industry Guaranteed Loan Program
Loans Involving the Former B&I Lending, LLC

TO: State Directors, Rural Development

ATTN: Business Programs Directors

It is our understanding that B&I Lending, LLC, is now operating as a subsidiary of Bridgeview Bank and Trust under the name Bridgeview Capital Solutions.

A transfer or substitution of lender is required on Business and Industry (B&I) Guaranteed Loans where B&I Lending, LLC, is the lender. For those loans that have an outstanding Conditional Commitment and the Loan Note Guarantee has not been issued, a transfer of lender is required in accordance with RD Instruction 4279-B, section 4279.174. For those loans where the Loan Note Guarantee has been issued, a substitution of lender is required in accordance with RD Instruction 4287-B, section 4287.135.

However, before a transfer or substitution of lender can occur, Bridgeview Capital Solutions must be approved as an eligible lender in accordance with RD Instruction 4279-A, section 4279.29. As of the date of this memorandum, Bridgeview Capital Solutions is not an approved eligible lender for the B&I Guaranteed Loan Program.

You will be notified in the future if Bridgeview Capital Solutions is determined to be an approved eligible lender.

If you have any questions, please contact the B&I Division Processing Branch at (202) 690-4103.

(Signed by John Rosso)

JOHN ROSSO
Administrator
Rural Business-Cooperative Service

EXPIRATION DATE:
Discard when no longer necessary

FILING INSTRUCTIONS:
Community/Business Programs

March 6, 2002

SUBJECT: Intermediary Relending Program
Empowerment Zones/Enterprise Communities/
Rural Economic Area Partnerships Earmark
First Funding Cycle

TO: State Directors, Rural Development

ATTN: Business Programs Directors

These are the Fiscal Year 2002 first funding cycle allocations for the Intermediary Relending Program (IRP) Empowerment Zones/Enterprise Communities/Rural Economic Area Partnerships (EZ/EC/REAP) Earmark. The priority points for each project are inclusive of any Administrator points that were awarded. The allocations are as follows:

State	Project Name	Amount	Priority Points
ME	Northern Main Development Commission	\$ 750,000	161
GA	Middle Flint Development Corporation	\$ 750,000	134
Total		\$1,500,000	

IRP EZ/EC/REAP earmark funds should be obligated through the Automated Discrepancies Processing System (ADPS). Please ensure that **type of assistance code 144** is used for the EZ/EC/REAP earmark to keep track of the use of these funds.

All requests received for the first cycle were funded. Requests for the second cycle must be received in the National Office by close of business on May 15, 2002. The amount available will be approximately \$4,817,981.94. All requests should be e-mailed to Lori Washington (lori.washington@usda.gov) with an e-mail copy to Donald Scruggs (donald.scruggs@usda.gov).

(Signed by William F. Hagy III)

WILLIAM F. HAGY III
Deputy Administrator
Business Programs

EXPIRATION DATE:
September 30, 2002

FILING INSTRUCTIONS:
Community/Business Programs

March 6, 2002

SUBJECT: Intermediary Relending Program
Native American Earmark
First Funding Cycle

TO: State Directors, Rural Development

ATTN: Business Programs Directors

These are the Fiscal Year 2002 first funding cycle allocations for the Intermediary Relending Program (IRP) Native American Earmark. The priority points for each project are inclusive of any Administrator points that were awarded. The allocation is as follows:

State	Project Name	Amount	Priority Points
OK	Adair County Indian Credit Association	\$750,000	99
	Total	\$750,000	

IRP Native American earmarked funds should be obligated through the Automated Discrepancies Processing System (ADPS). Please ensure that **type of assistance code 316** is used for the Native American earmark to keep track of the use of these funds.

All requests received for the first cycle were funded. Requests for the second cycle must be received in the National Office by close of business May 15, 2002. The amount available will be approximately \$3,239,817.17. All requests should be e-mailed to Lori Washington (lori.washington@usda.gov) with an e-mail copy to Donald Scruggs (donald.scruggs@usda.gov).

(Signed by William F. Hagy III)

WILLIAM F. HAGY III
Deputy Administrator
Business Programs

EXPIRATION DATE:
September 30, 2002

FILING INSTRUCTION:
Community/Business Programs

March 6, 2002

SUBJECT: Interim Management Control Procedures
Collections (Reissued)

TO: Rural Development State Directors,
Rural Development Managers, and
Community Development Managers

ATTN: State Management Control Coordinators

In an unnumbered letter dated March 7, 2001, you were advised of interim management control procedures for handling and safeguarding field office collections. The unnumbered letter expired on February 18, 2002. This letter reissues the attached "Interim Procedures-Management Control Review of Field Office Collection Activities." The management control procedures contained in the attachment are the same as those issued in the March 7, 2001, unnumbered letter.

As stated in the March 7, 2001, unnumbered letter, the elimination of the Concentration Banking System (CBS), implementation of new electronic collection methods, and the implementation of the single family housing collection lockbox procedures have changed the management control requirements for handling and safeguarding collections in field offices. A revision to Rural Development (RD) Instruction 1951-B, Collections, for the new collection methods and related management controls has been drafted and is in the clearance process for review and approval.

Until the revised RD Instruction 1951-B is published, all field offices are to use the attached interim procedures and review guide for handling and safeguarding collections. During the time these interim procedures are in place, please reproduce and use the attached interim guide to document the review of servicing office collection activities. Do not use RD Form 1951-44, Annual Review of District/County Collection Activities. The attached interim procedures/review guide corresponds with the collections safeguard review criteria contained in the State Internal Review Guide.

EXPIRATION DATE:
March 4, 2003

FILING INSTRUCTIONS:
Administrative/Other Programs

If you have any questions regarding these procedures, you may contact Mark Huntley, Office of the Deputy Chief Financial Officer, Policy and Internal Review Division, at 314-539-6063.

(Signed by SHERIE HINTON HENRY)

SHERIE HINTON HENRY
Acting Deputy Administrator
for Operations and Management
Rural Development

Attachment

Sent by electronic mail 3/7/02 at 3:00 p.m. by FMD.

ATTACHMENT

INTERIM PROCEDURES

MANAGEMENT CONTROL AND REVIEW OF FIELD OFFICE COLLECTION ACTIVITIES

This guide defines the management control requirements for the handling and custody of collections. All employees who receive collections are responsible for complying with control requirements outlined in this guide. Instructions for receiving and processing collections are contained in RD Instruction 1951-B, Collections; HB-1-3550, Direct Single Family Housing Loans and Grants Field Office Handbook; RD Instruction 1951-K, Predetermined Amortization Schedule System (PASS) Account Servicing; AMAS On-line Payment Processing Manual; and related forms manual inserts (FMI's).

This guide will be used to document the results of annual oversight reviews of field office collection activities, which must be completed by December 31 of each year, and local office supervisor monthly reviews of collection activities.

INSTRUCTIONS FOR PERFORMING REVIEWS

- The monthly review will be performed by the local office supervisor. The annual review will be performed by the area supervisor or designee.
- The reviewer will select a representative judgment sample of collection activity to review (at least 2 business days of activity per month since the last month of the previous review).
- The reviewer will complete the guide indicating compliance or noncompliance. Noncompliance responses must be fully explained in the "comments" section at the end of this guide and have a recommended corrective action.
- Upon completing the review, the reviewer will sign and date the guide and distribute a copy of the completed guide as follows:
 - For monthly local office supervisor reviews, the completed guide will be filed in the local office operational files.
 - For annual oversight reviews, a copy of the completed guide will be sent to the State Management Control Coordinator, area supervisor, and local office supervisor being reviewed.

Requirement/Review Criteria

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
Safeguarding Collections: <ol style="list-style-type: none"> 1. Form RD 451-1, Acknowledgment of Cash Payment, is prepared for all cash receipts for all programs and is prepared in numerical sequence. 2. Cash is converted to draft, cashier's check, or money order. 3. Collections are generally paid by check or money order and not by cash. 4. All non-AMAS collections are posted to Form RD 1951-49, Register of Collections, and all AMAS collections are entered to the AMAS Call Date Recap Detail Report data entry screen immediately upon receipt. 5. Cash, checks, and money orders are stored in a locked cabinet or locked drawer during the day and in a locked fireproof safe at night. 6. Miscellaneous collections are mailed to the designated lockbox each day. 7. Employees processing collections via the AMAS Cash (AMAS-CSH) system are required to have payment certification. (Reference RD Instruction 1951-K) 8. Form RD 1951-64, On-line Payment Certification Monitoring Log, is used to document AMAS collection processing for each monitoring activity. (Reference RD Instruction 1951-K) 			
Processing Collections: <ol style="list-style-type: none"> 9. Collection documents (Forms RD 1951-49, 451-1, 451-2, Schedule of Remittances; 370-46B, Payment Coupon; 3550-17, Funds Transmittal Report; 3550-26 and 3550-27, Substitute Payment Coupon; AMAS Call Date Recap Detail Report, data entry screen; etc.) are prepared correctly and in accordance with the FMI's. 			

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
<p>10. Wholesale lockbox collections are balanced daily by preparing Form RD 1951-60, Field Office Remittance Reconciliation Report.</p> <p>11. The Form RD 1951-49 and/or AMAS Call Date Recap Detail Report data entry screen is/are balanced daily to Forms RD 370-46B, 1951-60, 3550-17, 3550-26, 3550-27, and farm credit related collection items transmitted to the local Farm Services Agency office for processing.</p> <p>12. AMAS Cash payment errors that prevent balancing and releasing of the payment block must be corrected within 5 workdays. (Reference AMAS On-line Payment Processing Manual)</p> <p>13. Collections are sent to the correct location/designated lockbox address for the applicable collection method (wholesale lockbox, direct payment lockbox, RHS wholesale or retail lockboxes, etc.).</p> <p>14. For collections received and submitted by field offices, borrower on-line account history and/or payment status screens are periodically checked (at least 2 business days per month) to confirm that collections are updated to the automated accounting system for the correct amount and date of credit.</p> <p>15. Administrative collections (freedom of information fees) are sent with Form RD 104-1, Public Information Transmittal and/or Receipt, and/or a transmittal explaining disposition of funds to the lockbox address listed in RD Instruction 2018-F, Availability of Information, subsection 2018.255(e)(3).</p> <p>16. Cash collections over \$10,000 are reported to the Internal Revenue Service in accordance with RD Instruction 1992-E, Reporting Property Transactions to the Internal Revenue Service, subsection 1992.202.</p> <p>Separation of Duties:</p> <p>17. To the extent practical, at least two employees will be involved in receiving and processing collections. One employee receives collections and prepares the cash receipts and collection logs (i.e., Form RD 451-1, Form RD 1951-49, or AMAS Call Date Recap Detail Report data entry screens); a</p>			

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
<p>second employee prepares the collection data for payment application; i.e., Forms RD 451-2; 3550-17; 3550-26; 3550-27; and 370-46B, and the first employee who received and recorded the collection (or third person) balances the daily collection items.</p> <p>18. The daily collection log (Form RD 1951-49 or AMAS Call Date Recap Detail Report data entry screen) is reviewed and initialed by an employee other than the employee who prepared the Form RD 1951-49 or entered the collection in the AMAS Cash System.</p> <p>19. The above duties are rotated at least semiannually.</p> <p>20. The local office supervisor reviews collection activities monthly and documents the results of the review on this interim review guide.</p> <p>File Maintenance:</p> <p>21. Operational files are maintained in accordance with RD Instructions 2033-A, Records Management in State, District, and County Offices; and 1951-B.</p> <p>22. Forms RD 451-1 are stored in a locked fireproof cabinet.</p> <p>23. The numeric sequence of numbers listed on Form RD 2024-6, Notice of Transmittal and Receipt, used to transmit new supplies of Form RD 451-1 booklets to field offices, agree with the sequential numbers on Form RD 451-1's.</p> <p>24. Copy of Form RD 2024-6 acknowledging cash receipt books are filed in the operational file.</p>			

Address of Office Location Being

Reviewed: _____

Month(s) Reviewed:_____

Signature of Reviewer:_____

Date of Review: _____

Comments:

March 1, 2002

TO: All State Directors, Program Directors,
Rural Development Managers, and
Community Development Managers,
Rural Development

ATTN: State Environmental Coordinators

FROM: James C. Alsop *(Signed by James C. Alsop)*
Acting Administrator
Rural Housing Service

SUBJECT: Management Control Review Reports

Program Support Staff (PSS) has observed that many of the Rural Housing Service Management Control Review Reports, completed within the last two or three years, reflect problems with environmental compliance. In response, PSS has developed guidance to assist the States in addressing their training needs. The purpose of this unnumbered letter is two-fold: (1) To provide State Environmental Coordinators (SEC) with an environmental training outline, which can be used by the SEC to help design an environmental training program that meets the specific needs of their State; and (2) To encourage State Directors and Program Directors to support the SECs by providing opportunities for environmental training to take place.

Agency employees require a certain level of environmental training in order to adequately fulfill applicable environmental compliance requirements of RD Instruction 1940-G, "Environmental Program." The Attachment provides a detailed outline of the issues, which should be covered in any comprehensive environmental training program. Cross-references to appropriate sections in the regulation and to pertinent lesson plans in the Basic Environmental Training Manual are also provided. Not all employees will need such detailed training and some may need training only in specific areas. SECs should use the training outline as a guide in designing training to meet the specific needs in their State.

EXPIRATION DATE:
March 31, 2003

FILING INSTRUCTIONS:
Housing Programs

State Directors and Program Directors are encouraged to provide opportunities for the SECs to give environmental training. This may range from something as simple as an hour during a policy meeting to highlight environmental issues of specific interest or concern, to a much more in-depth training session of one to three days for a wider range of employees. Because environmental laws and the regulations which implement them are constantly changing, environmental training should be an on-going process in each State. Providing one-time environmental training to employees, without a process in place to follow-up on that training and to improve upon what they have learned, will not lead to adequate compliance with the National Environmental Policy Act (NEPA).

There are a few new SECs who may need additional training. These SECs are encouraged to seek training in NEPA compliance, either from Program Support Staff, which usually offers basic environmental training once a year, and/or from one of the many companies outside Rural Development which specialize in such training.

The PSS environmental protection specialists are available to assist the SECs in developing their training agendas. If there are any questions in relation to this unnumbered letter, please call Sue Wieferich, PSS, at (202) 720-9647 or e-mail at sue.wieferich@usda.gov.

Attachment

Basic Environmental Training

Agenda

Welcome/Introductions

Course Objectives/Review of Agenda

Overview: The National Environmental Policy Act (NEPA) and the NEPA review process

- The national policy, goals, and mandated procedures set forth by NEPA.
- How NEPA changed the way federal agencies do business.
- How requirements of other federal environmental statutes are incorporated into the NEPA process.
- Who is responsible for NEPA compliance.
- What are basic sources of environmental information.
- Initiating NEPA early.
- Public involvement.
- Classification of federal activities (CATEX, Class I & II EAs, EIS).
- Define and discuss area of potential effect.
- Define and discuss identification of protected resources.
- Define and discuss identification of direct, indirect, and cumulative impacts.
- Define and discuss alternative analysis.
- Define and discuss mitigation measures.
- Define and discuss the finding/decision document.
 - Discuss differences between EA and EIS (significance).
- Violations of NEPA and other statutes.

Source: 2001 Environmental Training Manual: "Historical Perspective: NEPA."

Overview: Key sections of RD Instruction 1940-G

Select pertinent portions of following sections of RD Instruction 1940-G for review and discussion. Some important paragraphs are suggested:

Purpose. §1940.301 (c), (d), & (h)

Definitions. §1940.302 (b), (c), (d), (e), (f) & (h)

General Policy.	§1940.303 (a) through (e)
Special Policy.	§1940.304
Policy Implementation.	§1940.305 (a) & (b)
Responsibilities of the prospective applicant.	§1940.309 (a), (b), (d), (e) & (f)
Categorical Exclusions.	§1940.310
Environmental Assessments for Class I Actions (brief overview).	§1940.311
Environmental Assessments for Class II Actions (brief overview).	§1940.312
Timing of the environmental review process.	§1940.315 (a), (b) & (d)
Methods for ensuring proper implementation of categorical exclusions.	§1940.317 (a) through (g)
Methods for ensuring proper implementation of Class I and Class II environmental assessments.	§1940.318 and §1940.319
Adoption of an environmental assessment prepared by another federal agency.	§1940.324
Monitoring.	§1940.330
Public Involvement.	§1940.331
Implementation procedures for specific statutes and Executive Orders	Exhibits to RD Instruction 1940-G (eliminate Exhibits J, K & M).

State Natural Resources Management Guide

Discuss the purpose of the State Natural Resources Management Guide, how to use it, and point out any requirements of State environmental laws that it contains.

Sources: The State Natural Resources Management Guide, and §1940.305 (d).

Form RD 1940-22, “Environmental Checklist for Categorical Exclusions”

Review Form, discuss its proper completion, and the circumstances under which a categorical exclusion is elevated to modified Class I assessment.

Sources: 2001 Environmental Training Manual - Environmental Reviews: “Categorical Exclusions,” and §1940.317 (e), (f) & (g).

Form RD 1940-21, “Environmental Assessment for Class I Action” and Exhibit H, RD Instruction 1940-G, “Environmental Assessment for Class II Actions”

Review Form and/or format and discuss their proper completion.

Source: 2001 Environmental Training Manual - Environmental Reviews: “Class I & II Assessments.”

Minimizing duplication

Discuss adoption of other federal assessments and incorporation by reference of other non-federal material, including assessments prepared by non-federal entities.

Sources: 2001 Environmental Training Manual - Environmental Reviews: “Adoption,” and §1940.324.

Public Notices and Public Meetings

Discuss public notice requirements and public meetings.

Sources: 2001 Environmental Training Manual – “Public Involvement,” and §1940.331.

Protected Resources and Compliance Requirements

Discuss each of the protected resources (some may need more emphasis than others). Discuss the required consultation procedures with the agencies providing technical assistance.

Wetlands
Floodplains
Important Farmland

Executive Order 11990
Executive Order 11988
Farmland Protection Policy Act

Endangered and Threatened Species and Critical Habitat	Endangered Species Act.
Historic and archaeological resources	National Historic Preservation Act
Wild and Scenic Rivers/Nationwide Rivers Inventory	Wild and Scenic Rivers Act
Coastal Barrier Resources System	Coastal Barrier Resources Act
Approved Coastal Zone Management Area	Coastal Zone Management Act
Sole Source Aquifer Recharge Area	Safe Drinking Water Act
National Natural Landmark	Historic Sites Act
National Historic or Scenic Trail	National Trails Act
National Wilderness Preservation System	Wilderness Act
Other Environmental Issues for Consideration:	
<ul style="list-style-type: none"> • Water Quality. • Air Quality. • Noise. • Transportation impacts. • Construction impacts. • Socioeconomic impacts. 	

Sources: 2001 Environmental Training Manual - Protected Resource lesson plans, and the State Natural Resources Management Guide.

Loan Servicing Activities

Discuss NEPA requirements for loan servicing activities.

Sources: §1940.310 (e) (2), §1940.311 (d) (2), and §1940.312 (d) (2).

NEPA Requirements for Lease or Disposal of REO Property

Discuss the environmental requirements for lease or disposal of REO property by the agency.

Sources: §1940.310 (e)(6), §1940.311 (d)(3), and §1940.312 (d)(6).

Environmental Risk Management: Due Diligence

Discuss the requirements for completing ASTM reports in loan making and loan servicing activities (E 1528-00, “Standard Practice for Environmental Site Assessments:

Transaction Screen Process,” and E 1527-97, “Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessments.”

Sources: Chapter 5, section 5.9, and Chapter 15, section 15.8, and Chapter 16, section 4, 16.18, of the Direct Single Family Housing Handbook (HB-1-3550). Also, Chapter 11 of the Guaranteed Rural Rental Housing Handbook.

Flood Insurance and Standard Flood Hazard Determination (FEMA Form 81-93)

Discuss flood insurance requirements and use of FEMA Form 81-93.

Sources: RD Instruction 426.2, and RD AN No. 3670 (426.2), June 28, 2001.

Additional subjects when Rural Business-Cooperative Service programs are involved:

Discuss the environmental review process in relation to intermediaries and third party recipients. Detailed environmental procedures are found in the processing instructions for each of the individual intermediary-type programs.

Discuss AN No. 3666 (4279-A), dated June 14, 2001, regarding due diligence and Phase I Environmental Site Assessments.